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CENTRAL INTELLIGENCE AGENCY

27 July 1955

MEMORANDUM FOR: The Director of Central Intelligence  
SUBJECT : Present Chinese Communist Tactics

SUMMARY

1. The tactics of Communist China in its relations with the non-Communist world, like those of the USSR, are at present comparatively temperate, and in some respects even conciliatory. These tactics are in accord with what appears to be an agreed Bloc policy, adopted at least in part with a view to the East-West negotiations of the summer. However, they do not represent an altogether new departure in Peiping's conduct of affairs. For several years the Chinese Communists have, with increasing diligence, been working to improve their relations with most of the non-Communist governments of Asia, and to conciliate many of the important non-Communist personalities of the area. More than a year ago Peiping took the initiative to obtain a truce in Indochina, and has since proclaimed its pacific intent

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towards that country. Only with respect to Taiwan and the off-shore islands has the transition to relative moderation in conduct and propaganda been very recent.

2. In 1948 and 1949 the Chinese Communists and the USSR appear to have believed that Asia was ripe for revolution. Communist tactics emphasized the use of force both by regular Communist armies and by indigenous "liberation" movements. Preparations were openly under way for an attack on Taiwan, and covertly for the invasion of South Korea. Communist-directed violence flared in Burma, Malaya, Indonesia, and the Philippines.

3. By 1951, however, it began to be obvious to Peiping and Moscow that the general program of armed action in the Far East was not prospering, and that its continuation would serve only to incite Western countermeasures and to isolate Peiping in Asia. Except in Vietnam, the attempt to identify the Communist movement with the cause of nationalism and anti-colonialism was virtually a failure. The established governments in the area clearly represented the interests and desires of the population to a greater degree than did the Communists. The Communists began gradually to abandon violent measures, and to shift to a policy

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of cultivating these governments. At first this development showed itself in friendly approaches to Nehru, U Nu, and the Indonesian government; later the policy was extended. It was accompanied by the arrangements for an armistice in Korea.

4. In Indochina the "objective situation" continued for a longer time to be favorable to Communist military operations, and the Chinese gave increasing support to the armies of the Viet Minh. Nevertheless, it was on Communist initiative that the first moves toward a truce were taken in 1954, and Communist tactics at the Geneva Conference to arrange this truce were fairly moderate.

5. With respect to Taiwan and the offshore islands, on the other hand, Peiping's policy became markedly active in late 1954. This was, in our view, pursuant to the genuine Chinese Communist belief that the territories in question rightfully belonged to the government at Peiping, and to a deeply-rooted aim of acquiring them in order to finish off the civil war. Peiping regarded the problem as an internal, Chinese one. Most of the governments of Asia, and many in other parts of the world, sympathized with Peiping's view in this respect. It soon became clear,

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however, that the Chinese Communists could not acquire Taiwan, or even Quemoy and Matsu, without grave danger of war with the US. This alarmed the other Asian countries even though they were sympathetic to Peiping's aims, and probably gave pause to Peiping itself. Moreover, promotion of tensions over the Taiwan issue appeared incompatible with the developing peace campaign of the USSR, and we believe that the USSR exerted a restraining influence. Accordingly, the Chinese Communists have adopted a more moderate posture and have allowed the situation in the Taiwan Straits to become relatively calm.

6. We believe that Communist China will continue its conciliatory policy toward most non-Communist governments of Asia, for at least a year, and will not encourage local Communist parties to undertake violent action on any substantial scale. However, Peiping will ~~undoubtedly~~ continue covert support and guidance to Communist movements of infiltration and subversion throughout the area.

7. With respect to Indochina, we believe that Peiping's policy will be determined by the course of events in that country. Should a rapid stabilization take place, Peiping would probably adjust itself to the situation, and possibly pursue tactics of

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conciliation similar to those adopted toward other countries of the area. It appears more likely, however, that the situation will not soon become stabilized, and that Peiping will therefore consider that opportunities for Communist advance must be supported and encouraged. Overt military action seems unlikely, except perhaps by guerrillas, unless the peace campaign of the Bloc is virtually abandoned.

8. With respect to the Taiwan issue, the Chinese Communists are unlikely to put much faith in the prospects of making progress by purely peaceful and diplomatic means. They are continuing a rapid build-up of their air capabilities in East China. Although they will probably prolong the present relative calm in anticipation of negotiations on the Far East after the Summit meeting, they will probably decide eventually that a resumption of pressures is necessary to keep the issue active and to improve their negotiating position with the US. However, we believe that military pressures in the area will be limited by Chinese Communist concern not to become involved in war with the US.

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## DISCUSSION

### A. Background

9. The classic Leninist-Stalinist bases of Communist tactics in Asia, which were further developed and refined in practice by the Chinese Communists prior to World War II, involved principally the exploitation of nationalism, anticolonialism, and agrarian discontent through Communist-led national fronts and armed movements. Following World War II, and particularly as the Chinese Communists moved to final victory in 1948-1949, Moscow and Peiping apparently became convinced that a revolutionary situation existed throughout Asia which should be rapidly exploited.

10. Following a general call to armed struggle in Asia in February 1948 at the Calcutta Youth Conference, over-all theoretical guidance for a course of violent "armed liberation" was set forth at a WFTU meeting in Peiping in November 1949, one month after the formal establishment of the Chinese Communist Government. \*

\* It should be noted that as usual the formal theoretical guidance came after the fact. By 1949, armed rebellion had already occurred in nearly all former colonial territories in Asia, and in most cases, the tide had begun to turn against the Communists before the WFTU convened.

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At this conference, Chinese Communist leader Liu Shao-chi classified even the newly independent governments of India, Burma, Indonesia, and the Philippines as imperialist lackeys, and called upon the peoples of those countries to join in national liberation and resistance fronts. Existing Communist armed movements in Indochina, Burma, Indonesia, Malaya, and the Philippines were judged to be "acting entirely correctly." Armed action was proclaimed the "main form of struggle in the national liberation struggle in many colonies and semi-colonies." The Communist tactics which had been used in winning China by force were termed the "path that should be taken." Liu Shao-chi also told the delegates that it was "necessary to set up wherever and whenever possible a people's liberation army led by the Communist Party."

11. These guide-lines appear to have governed Communist policy throughout much of Asia at least into 1951-1952. This period was marked by Communist-led uprisings in India,<sup>\*</sup> the continuation of armed insurrection in Burma, Malaya, the Philippines, and Indochina; vilification of the Thai government; preparations

\* The Indian Communist Party apparently did not receive specific guidance and experienced serious internal differences as to the significance of general guidance from Moscow for its own situation.

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by the Japanese Communist party for armed struggle against the US occupation and the Yoshida government; and, most importantly, the invasion of Korea. An accompanying tactic was widespread employment of "people's diplomacy," a device whereby official and unofficial Chinese Communist representatives often ignored constituted governments, Tokyo in particular, and dealt instead with Red Cross Societies, labor unions, cultural delegations, and other unofficial groups.

12. During 1951 and 1952, however, and especially as evidenced in China's March 1953 initiative which revived the Korean armistice talks, a gradual shift began to occur in Communist tactics away from violence, armed action, and "people's diplomacy." Chinese and Soviet documents of this period, in discussing the situation in Asia, conceded that there had been a "receding of the revolutionary wave." Many considerations lay behind this shift. They probably included the Communist failure to conquer Korea and the great risks to Moscow and Peiping attending a continuation of the war effort in Korea, the domestic political problems posed to the USSR by the death of Stalin, and the disruptive effect of the Korean war on the Soviet and Chinese Communist economies. Perhaps the most important single development was the failure of the Communists to conceal their aims and to

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identify their cause with nationalism. The people failed to rally to the Communists in such newly independent states as Burma, India, Indonesia, and the Philippines and the armed liberation movements were gradually suppressed. In general, continued armed action involved increasingly greater risks. Given the relatively non-revolutionary situation, a joint estimate apparently was made that less aggressive tactics were better suited to realizing Communist aims in much of the Far East and in particular would tend to disrupt Western unity.

13. Communist China's moderation at the 1954 Geneva Conference, perhaps occasioned in part by fear of US military intervention, ushered in a period of somewhat more pronounced conciliatory tactics toward the independent governments of Asia apart from the Chinese Nationals. Peiping sought during the ensuing year to capitalize upon the atmosphere of good feeling created at Geneva, while incidentally gaining increased world prestige for itself and its leaders. During this period Peiping increased its efforts to gain the sympathy of Asian leaders such as Nehru and U Nu, to broaden its formal contacts and relations with the constituted governments of Asia, and to convince these governments that the US was responsible for Far East tensions.

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14. An exception to this over-all policy, although probably not regarded by the Chinese Communists as incompatible with it, was Peiping's post-Geneva campaign of heavy pressures against the US and Nationalist China. Peiping probably believed that the territories in question rightfully belonged to Communist China and probably had a deeply-rooted aim of finishing the civil war and eliminating the Nationalist Government. In addition, Peiping probably believed that a campaign of heavy pressures would serve domestic ends, including that of keeping alive an "external enemy"; such a campaign might also gain some or all of the off-shore islands, further reduce Nationalist prestige and will to resist, and expose the US as a "paper tiger"; and also create serious cleavages between the US and its allies and the neutral powers. Moscow was probably especially attracted by this latter prospect. Believing the US to be already virtually isolated and extremely vulnerable on the Nationalist issue, Moscow probably considered that the prospect of hostilities in the area of the Taiwan Straits might cause the UK and other allied and neutral powers to desert the US diplomatically and inhibit it from taking military action.

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15. The risks of this policy were obviously considered acceptable. China's leaders probably calculated that heavy pressures could be placed on the Nationalists without undue risk either of US military counteraction or of counterproductive political reactions in non-Communist Asia where many governments felt that at least the offshore islands should be given to Peiping. They may even have estimated that they could later extricate themselves with grace, should success not be gained or should the situation become too dangerous, by subsequently taking conciliatory moves and magnanimously reducing the very tensions their tactics had created. It is our judgment that the Chinese Communist program was thus essentially one of probing and pushing to see what the traffic would bear, designed to stop short of incurring US military counteraction while collecting political capital for Peiping and Moscow in the process.

16. Whatever the Communist calculations, however, their policy was not very successful. The US did not weaken in its determination to defend Taiwan, but instead concluded a defense pact with Taipei and gave Peiping no assurance that it could attack the offshore islands with impunity. The UK did not split off from the US but drew closer to it on the need for defending Taiwan.

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Even the neutral powers cautioned Peiping against the use of force against the offshore islands. It is our belief that the USSR became concerned over the possibility of war developing in the Taiwan area, even though it may have initially approved Chinese Communist pressures, and accordingly requested Peiping to ease up, perhaps also suggesting that other tactics might better support upcoming Soviet moves in Europe.

17. Although the above may have been the most immediate factors, other considerations were probably also impelling Peiping in the early months of 1955 to adopt somewhat softer over-all tactics. Communist China's military capabilities, though greatly enhanced, were still not adequate for a conquest of Taiwan or even for an easy capture of Quemoy, and its defenses were wholly inadequate against a possible US attack. Intraparty personal and policy differences had reached their most serious proportions since 1938, culminating in the purge of the highly placed Kao Kang and Jao Shu-Shih. The cumulative effect of poor harvests, lack of trained personnel, capital investment requirements, peasant stubbornness, and military demands had disrupted the overambitious 5-year plans and necessitated cutbacks in its economic goals.

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18. China's leaders probably also came around to the view that there would be several positive advantages in a generally softer policy toward Taiwan. They probably considered that a prolonged period of negotiations with the US might in time result in beneficial or at least acceptable arrangements if, during the interval, military capabilities and especially air power in East China were greatly built up relative to those of the US and its allies. They probably also calculated that softer tactics would lessen the vigilance of non-Communist Asia, Japan and India in particular; advance Peiping's aim of gaining world acceptance as the legitimate government and as the Security Council representative of China; and supplement and assist world-wide Soviet conciliatory moves. Lastly, the prestige dividends already won by post-Genova soft tactics toward Japan, South and Southeast Asia, probably contributed to Peiping's belief that, in an essentially political struggle, China could out-compete the US in Asia over the long term and in time could realize Communist aims in Asia at a minimum of risk and of cost.

19. In view of all these considerations, China's leaders probably came to a basic decision some time shortly before Bandung

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that further conciliatory moves in their foreign policy should be launched. We believe that the main outlines of this new look were checked with Moscow over a period of time, as part of Sino-Soviet general coordination, Moscow and Peiping probably agreed that a coordinated effort should be made to play down international Communism and to approach the Western and Asian states with an ostensible "business-like" program for reduction of tensions.

B. The Bandung Conference and the Main Lines of Present Chinese Communist Policy

20. As is suggested by the prior psychological build-up they gave the Bandung Conference, the USSR and China probably considered that the conference was a fortunate, coincidental development, providing a forum at which the outlines of their new look in Far East tactics could be revealed most effectively. Peiping currently appears to aim at: (a) creating an over-all impression of Chinese Communist reasonableness, moderation, respect for UN charter provisions, and readiness to make concessions in order to achieve a reduction of tensions; (b) soft-pedaling ideological and political differences with non-Communist Asia and stressing instead those things that Asia holds

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in common, attempting in the process to make Peiping the spokesman for these Pan-Asian considerations; (c) completing the shift from earlier "people's diplomacy" to acceptance of constituted Asian governments, Japan in particular, and the development of more cordial relations therewith; (d) giving Asia various guarantees that China will respect existing boundaries and will not interfere in the internal affairs of its neighbors; (e) wooing statesmen such as Nehru, Menon, U Nu, Prince Wan, Modhammed Ali, Romulo, Sihanouk, and Ali Sastroamidjojo; and (f) attempting to create an arc of neutralism around Communist China from Japan through Indonesia to India.

C. Chinese Communist Policy in the Immediate Future

21. It is our judgment that the Chinese will continue essentially the above tactics for the immediate future. The USSR will probably continue to exert a moderating influence on Chinese initiative in an effort to insure the closest coordination of Sino-Soviet moves. The assurances of Chinese good behavior which Chou En-lai gave the non-Communist powers at Bandung, constitute an additional inhibiting influence, since any gross manifestations of poor faith by the Chinese

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would alienate those Asian governments which Peiping seeks most to attract. Moreover, it is our view that the Chinese will exercise self-restraint because of a sincere desire for a period of respite during which they can improve their military capabilities and seek to extend Communist influence in Asia by "peaceful" means.

22. However, Peiping's moderate policy toward most of Asia will not rule out continued covert support and guidance to Communist movements of infiltration and subversion throughout the area. With respect to Indochina, Peiping will probably continue to profess support of the Geneva Agreement and will demand its "strict" implementation. However, we believe that Peiping is prepared to approve covert Vietminh activities in South Vietnam, including introduction of guerrillas from the north to assist "popular" armed action against the Diem government, if necessary, to prevent the consolidation of non-Communist control in that area.

23. With respect to the Taiwan issue the Chinese Communists are unlikely to put much faith in the prospects of making progress by purely peaceful and diplomatic means. They are continuing a rapid build-up of their air capabilities in East China. Although they will

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probably prolong the present relative calm in anticipation of negotiations on the Far East after the Summit meeting, they will probably decide eventually that a resumption of pressures is necessary to keep the issue active and to improve their negotiating position with the US.


24. In any event, Communist China's negotiations with the US will proceed slowly. Peiping is unlikely to modify significantly its present position that only US "interference in China's internal affairs" is responsible for tensions in the Taiwan area. Peiping will almost certainly continue to rebuff all "two China" proposals -- save perhaps one in which Peiping would have the chief voice as a trust power. Peiping might conceivably renounce the use of force against Taiwan if assured early delivery of the offshore islands. However, we believe that Peiping's main objective is to secure the withdrawal of the US from Taiwan and we believe that Peiping would be unwilling to accept any arrangement that left the US-Nationalist position secure on Taiwan. The Communists probably believe that the US is determined to retain a position on Taiwan for the foreseeable future and that to permit the issue to rest would only strengthen

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the US resolve while making more difficult the resumption of  
Communist pressures at a later date.

FOR THE BOARD OF NATIONAL ESTIMATES; 25X1A9a



SHERMAN KENT  
Assistant Director  
National Estimates

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